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PRESS RELEASE

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NARUC SAYS STAND-ALONE JURISDICTIONAL RULING WOULD YIELD UNINTENDED CONSEQUENCES

WASHINGTON, D.C. – The National Association of Regulatory Utility Commissioners (NARUC) sent a letter to FCC Chairman Michael Powell today urging the Commission not to issue a stand-alone ruling that Voice-Over-Internet-Protocol ("VOIP") services are "inherently interstate" because such a piecemeal approach would yield unintended consequences for consumers. An October 5 letter from federal lawmakers had urged the Commission to rule on State jurisdiction first, and the rest of the issues later.

The NARUC letter - signed by NARUC's President, Georgia Commissioner Stan Wise, Michigan Commissioner Bob Nelson, Chair of NARUC's Committee on Telecommunications, and Pennsylvania Commissioner Glen Thomas, Chair of NARUC's Washington Action Committee - concludes:

"Regardless of what the FCC ultimately decides on jurisdictional issues, we urge the FCC to resist the temptation to act in piecemeal fashion. The Commission should first complete its long outstanding intercarrier compensation proceeding, and then move to act expeditiously and comprehensively on all the issues presented in the IP Enabled Service proceeding *simultaneously*."

The following statements can be attributed to the letter signatories:

NARUC President – Georgia Commissioner Stan Wise: "Tempting as it may be, it's dangerous to front-load the jurisdiction question here because it would short-change consumers that depend on State universal service programs and give many companies a perverse incentive to slow roll the harder issues like access charges, universal service, public safety and consumer protection. Keeping everyone at the table is the fastest path to resolving those issues."

Chair, NARUC Telecommunications Committee – Michigan Commissioner Bob Nelson: "Taking a disjointed, rather than a holistic approach to IP policy, increases the prospects for unintended consequences, confusion, and bad outcomes enormously. The most important thing is to put the consumer at the center of our analysis and recognize the invaluable role States must play on consumer protection, public safety, universal service and maintaining the network."

Chair, NARUC Washington Action Committee - Glen Thomas: "The message from Congress thus far has been one of moderation, including on state authority. We hope when the FCC decides to act, the agency will reflect that moderation in the IP-enabled services docket."

The National Association of Regulatory Utility Commissioners is a non-profit organization founded in 1889. Its members include the governmental agencies that are engaged in the regulation of utilities and carriers in the fifty States, the District of Columbia, Puerto Rico and the Virgin Islands. NARUC's member agencies regulate telecommunications, energy, and water utilities. NARUC represents the interests of State public utility commissions before the three branches of the Federal government and the Federal agencies.